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Warsaw Pact: The strengthening of Eastern European representation in the Pact's command structure may have been the main topic of the meeting in Moscow which ended yesterday.

According to TASS, a two-day Warsaw Pact "military council" session was chaired by Marshal Yakubovsky, the commander in chief of the joint forces. This is the first time that such a council has been mentioned in public and its composition remains unknown. The only Pact defense minister known to be in Moscow is the Romanian, Ionita, who is accompanied by six senior generals, one or more of whom may have attended the meeting.

The inclusion of additional Eastern European members in the command structure was agreed to at a Pact summit meeting in Budapest in March 1969. The council may have been created at that time. Throughout the year, there have been numerous consultations in Moscow, perhaps on this subject, but so far little has been revealed about implementing the decision. There have also been rumors that certain Eastern European military leaders would be transferred to Moscow for Pact duty. In addition there is another unverified report that a building to house the joint staff is being constructed in Moscow.

Next year's Pact maneuvers may also have been a topic at the meeting because the TASS announcement said that training was discussed. The use of the phrase "full agreement" on all questions discussed may mean that Romania was successful in keeping the Pact from scheduling training exercises on its soil.

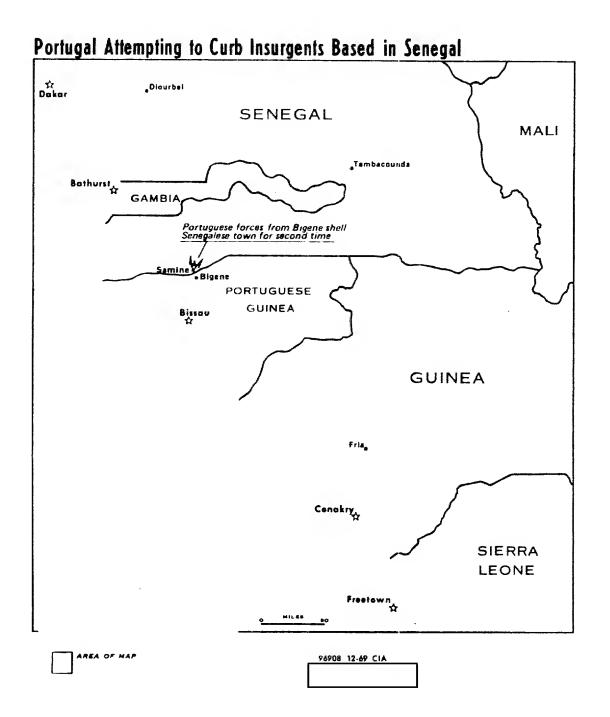
Libya: The Revolutionary Command Council has moved to crush an anti-Egyptian army faction that was planning to seize control of the government.

Two members of the junta, Defense Minister Hawwaz and Minister of Interior Ahmad have been arrested for plotting to overthrow the junta. Recent reports have indicated that both men were concerned over the growing influence of Egypt in Libyan affairs. They reportedly feared council President Qaddafi, who was said to have been negotiating with Egypt and the Sudan to form a union, was striving to place Libya under complete Egyptian domination.

In announcing the arrest of Hawwaz and Ahmad, the council labeled them as part of a traitorous, superfluous, ignorant, and ossified clique that did not understand the concept of the Libyan revolution. It added that the clique was supported and manipulated by foreign powers to harm the Libyan people.

the council earlier this week also rounded up approximately 100 army and police officers who were presumably part of the same coup-plotting group. The arrest of the officers serves to dampen any enthusiasm for coup plotting that may have been developing in the army. More importantly, their arrest and that of such key figures as Hawwaz and Ahmad indicates that any effective threat against the junta has apparently now been removed.

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Portugal-Senegal: Portugal is trying to force the Senegalese to curb the activities of Portuguese Guinean insurgents who operate from Senegal.

On two recent occasions Portuguese forces, engaged in an increasingly active guerrilla war in Portuguese Guinea, shelled a southern Senegalese border town located near an insurgent supply depot. The second shelling occurred while the UN Security Council was considering a resolution condemning Portugal for the first attack. Although the council condemned Lisbon, the Portuguese may continue to attack Senegalese border towns.

President Senghor has in the past restricted	
the activities of the insurgents, but he is unlikely	
to deny them use of Senegalese territory. Senghor	
is also under considerable pressure, both domestic	
and foreign, not to give in to the Portuguese.	
(Map)	

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Dahomey: Yesterday's military coup is likely to compound Dahomey's numerous political and economic problems.

Army chief of staff Lieutenant Colonel Kouandete is in control in Cotonou, although full details are still lacking on the coup and all those involved. the coup was triggered prematurely when the plotters learned that President Zinsou was aware of their plans and about to take countermeasures. Zinsou was taken by soldiers to an undisclosed location.

Colonel Kouandete has publicly appealed to all former Dahomean leaders to return home. The reasons for the appeal are unclear, but the return of the three regional leaders who jostled for control of the government before they were exiled in 1965 would aggravate political tensions.

Even without the return of these three men, the coup could easily spell further trouble for this poverty-stricken former French colony. Kouandete, an opportunist with no known ideological moorings, has many enemies even within the army, some of whom

It seems unlikely that he or any other Dahomean could make more progress than Zinsou with the overwhelming political and economic problems that have plagued Dahomey since independence nine years ago.

In addition, the economic situation could become further complicated if the French react strongly to the coup, the fifth in six years. Following the last military takeover two years ago, which was also led by Kouandete, the French temporarily suspended all direct financial subsidies, plunging the country into near bankruptcy.

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Venezuela: Persistent labor difficulties are posing major problems for the Caldera government.

Labor leaders in the eastern state of Bolivar have decided to call a general strike in support of a week-old walkout by 6,000 iron and steel workers. Moreover, there are signs that workers of the Venezuelan Electrical Federation in Caracas also will go on strike because of disagreements on contract proposals.

The administration has a record of giving in to salary demands. Several weeks ago striking teachers won a 45-percent salary increase, a precedent that was sure to open the way for demands for similar wage increases.

The government is in a tough mood now, however, and has arrested two key labor leaders. In view of continued worker intransigence and the threat of a general strike, President Caldera may use the army to protect plant facilities and to maintain order. When the army occupied the Central University in Caracas in late October, public response to the move was generally favorable.

Caldera probably views his strong stand as a way
to stem the growing labor and student difficulties.
Moreover, he probably hopes that it also will pacify
the military which has become more restive in recent
weeks.

Greece: The government is preparing its case to avoid suspension from the Council of Europe at the meeting this weekend.

In the past two weeks, the regime has increased its efforts to counter the argument from some council members that Greece should be expelled for violation of human rights and failure to move toward constitutional government. Foreign Minister Pipinelis has stated his determination to keep Greece in the council and may try to hold up the voting on a procedural basis before the Scandinavians introduce their draft resolution for suspension.

Several other options, however, have come to the fore. A Swiss-Austrian formula calls for the expulsion of Greece on a suspended basis. If the regime shows no progress toward constitutional government within a certain period, the expulsion would become effective. The council may also decide to review the report of the Human Rights Commission. This would automatically delay a decision for at least three months.

Meanwhile, progovernment newspapers in Athens are attacking the British for a leak by the London Times of the council's report on conditions in Greece. They assert that Britain has violated the secrecy commitments of the council and that the British press distorted the report to the detriment of Greece. A few days after the British article appeared, the Greek Government announced the submission of 11 draft laws-one governing the formation of political parties--as proof of its intention to move toward constitutional government.

Some council members are arguing that Greece's expulsion from the council could cause serious repercussions in NATO. Greece also will emphasize its strategic importance to the security of Europe. But should suspension seem certain, Greece would probably resign to avoid further embarrassment.

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Albania-Greece: Albania's failure to react to a recent Greek hostile outburst may mean that Tirana is interested in improving relations with Athens.

The tirade, by a member of the Greek ruling junta, restated Athens' claims to southern Albania, where the Greek minority is concentrated. One Yugo-slav diplomat on the scene expressed concern that the controversy over the speech would dampen chances of a future rapprochement between Tirana and Athens. The Greek Government, however, disavowed the speech.

Greece and Albania do not now have relations; the two are technically still at war because no peace treaty has been signed since World War II. Belgrade believes Tirana's recent moves to end its self-imposed isolation signify a willingness to "improve" relations with Greece. A Yugoslav diplomat in Athens believes he has detected some reciprocal sentiment in the Greek Foreign Ministry. Athens has recently taken a new look at its Balkan neighbors and in this context Yugoslavia reportedly has been quietly encouraging Greeks who favor a softer stance toward Albania so that the opportunity is not lost.

Reports during the last year that Albania was considering increasing contacts with Greece have been flatly denied by Tirana. Now, however, Albanian leaders are saying they are interested in good relations with all neighbors, "despite differences in social systems."

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Finland: The inability of Finnish Prime Minister Koivisto to operate under pressure has damaged him politically and may scuttle the Nordic Economic Union (NORDEC), as now proposed.

The prime ministers of Finland, Sweden, Norway, and Denmark had been scheduled to meet in Finland in mid-December to try to settle their remaining differences over NORDEC. Without consulting the other governments, the Finns late last week abruptly announced that the meeting was off. They used the excuse that no further action should be taken on NORDEC until the relationship of Denmark and Norway to the European Communities was clarified.

After the other Nordic governments berated Helsinki for its move and Finnish President Kekkonen decided that a Nordic meeting was essential, the government announced that a conference would be held on Friday, but only to discuss Finland's current attitude toward NORDEC. Koivisto pointed out that a lack of unity within the government prevented further Finnish NORDEC negotiations. Any decision about resuming a role in NORDEC would have to be made by the government installed after parliamentary elections next March.

Koivisto had earlier received considerable favorable publicity for his warm advocacy of full Finnish participation in NORDEC. For this reason he has provoked the enmity of Foreign Minister Karjalainen, who has long had a stranglehold on the conduct of Finnish foreign relations. With no political experience before 1966, Koivisto has been unable to cope with Karjalainen's infighting and has found the rough-and-tumble of Finnish politics particularly bruising.

On several occasions Koivisto has made emotional statements deploring the fractious nature of the government coalition and more than once has threatened to resign. He has already announced that he will not serve as prime minister after the March elections. In the wake of his most recent performance, there is doubt whether he would even be asked.

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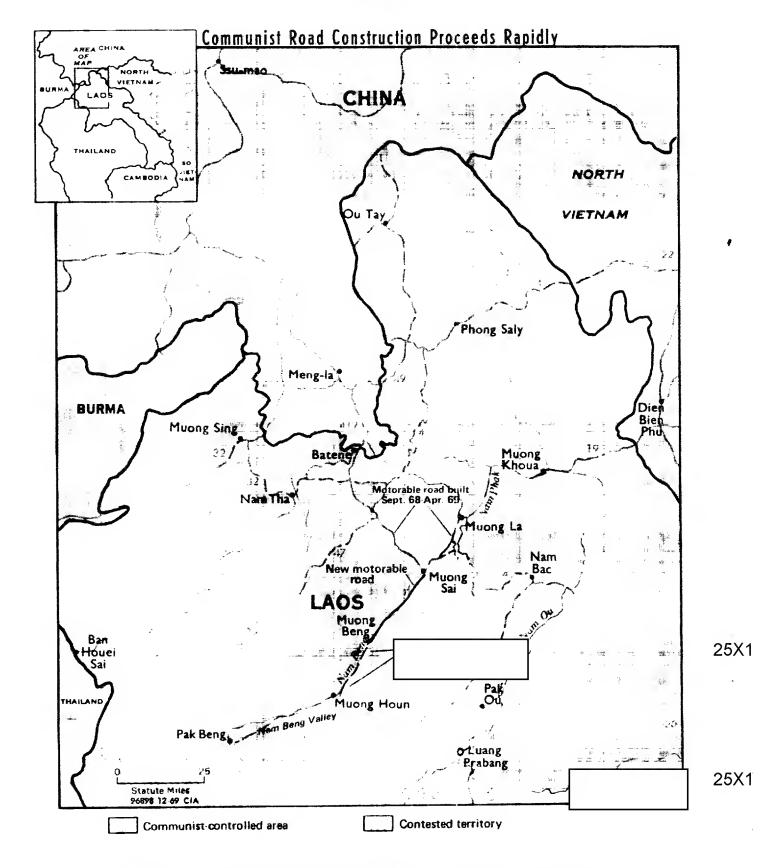
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Southeast Asia: The member states of the Association of Southeast Asian Nations (ASEAN) at their ministerial meeting next week can be expected to talk warmly of mutual cooperation but do little else.

The development of ASEAN, established by Malaysia, Singapore, Indonesia, the Philippines, and Thailand in August 1967 primarily to foster mutual economic, cultural, and technical cooperation, has been hindered by frictions such as the Malaysian-Philippine quarrel over the sovereignty of Sabah. While member nations are anxious to develop new regional ties, ASEAN is still barely off the ground.

Dissension over the presence of foreign observers at next week's meeting in Kuala Lumpur may further jeopardize ASEAN's progress. Malaysia, the host for the conclave on 16-18 December, has invited Laos and will probably invite South Vietnam to send observers, despite objections by Singapore and Indonesia that either both Hanoi and Saigon be invited or both be excluded. Malaysia is adamant that North Vietnam be excluded. The problem may be resolved if any observers who attend are allowed to sit in on only the opening ceremonies.

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Laos: Communist road construction in the north-
west is moving ahead at a rapid pace. Chinese engi-
neers have extended the motorable limit of the new
road southwest of Muong Sai some ten miles in little
over one week
Within a two-month period, approximately
27 miles of new road have been constructed. Chinese
engineers have claimed that the road would be com-
pleted to Muong Houn by May 1970,
With the road now half way to Muong
Houn, the Chinese official's estimate would appear
somewhat conservative. There is no evidence at this
time of road construction activity south of Muong
Houn. (Man)

USSR - Communist China: The editor of the journal of Moscow's institute for US studies, Berezhkov, has told a US Embassy official that First Deputy Foreign Minister Kuznetsov may soon leave the Peking talks. Commenting that "two months" of negotiations at the vice-minister level was enough, Berezhkov said that the question of reducing the talks to a lower level is now being discussed in Peking. Berezhkov has proved well informed in the past, and his remarks add credibility to previous speculation that Kuznetsov, who had been expected to lead the SALT talks, will soon be returning. Lowering the level of the talks would probably mean that both sides feel they have clearly laid out their basic positions and recognize that the continuing negotiations will be slow and tedious.

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USSR: Moscow has made a major breakthrough in sales of natural gas to Western Europe after several years of on and off negotiations. The USSR and Italy signed a 20-year agreement on 10 December for the exchange of Soviet natural gas for steel pipe and other equipment. A similar agreement is to be signed with West Germany in January and discussions have been held with France. The USSR will not supply any gas to these markets until the early 1970s. Moscow will, however, receive Western credits for the immediate import of critically needed large diameter pipe to expand its long-distance oil and gas pipeline net-These deals come at a time when Soviet hard currency earnings are lagging, largely as a result of the leveling off of petroleum deliveries to the West.

Italy: Rome's talks with Peking, suspended for several months, will be resumed shortly, according to Italian Ambassador Ortona in Washington. Italy is prepared to recognize Peking as the only government of China, but it is not willing to accept Peking's claim to sovereignty over Taiwan. At the United Nations this fall, Italy made its long-planned shift from opposition to abstention on the annual

resolution to expel Nationalist China, a move designed to help negotiations with Peking.

UN-Cyprus: The Security Council meets today to discuss Secretary General Thant's report on UN peace-keeping operations in Cyprus and to consider extending the stay of the UN force in Cyprus. Thant concluded that solutions of Greek Cypriot - Turkish Cypriot communal differences are "still not in sight" and thus saw "no reasonable alternative" to an extension of the force mandate. An appendix to his report suggests a reorganization that could lead to a fairly

sizable troop reduction and meaningful financial savings. The Council is expected to approve an extension for six months.

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